

## Helsingin yliopisto - Helsingfors universitet - University of Helsinki ID 2001-1390

Tiedekunta-Fakultet-Faculty Valtiotieteellinen tiedekunta		Laitos-Institution-Department Department of Economics	
Tekijä-Författare-Author Takala, Kari			
Työn nimi-Arbetets titel-Title Studies in time series analysis of consumption, asset prices and forecasting			
Oppiaine-Läroämne-Subject Economics			
Työn laji-Arbetets art-Level Doctoral dissertation		Aika-Datum-Month and year 2002-02-15	Sivumäärä-Sidantal-Number of pages 200
<p>Tiivistelmä-Referat-Abstract</p> <p>This collection of seven papers deals with three different areas of econometric applications. The papers apply techniques related to the analysis of unit roots and cointegration methods.</p> <p>The first paper deals with consumption theories and formulates an error-correction forecasting model for consumption. A single cointegration relationship is found between consumption, income and net wealth, which is in line with the permanent income hypothesis. The second paper studies the excess sensitivity of consumption to current disposable income. Estimating the coefficient with time-varying techniques, we notice a decline in the coefficient during the period of financial deregulation toward the end of the 1980s and a rise during the recession. Third paper takes a closer look at how useful consumer barometer variables can be in forecasting variables such as consumption and inflation.</p> <p>First paper on asset prices, is based on the theory of cointegration between house and stock prices, which asserts that real after-tax risk-adjusted returns on assets should coincide in the long run. This paper presents a model for house prices that uses stock prices as a leading indicator to improve the forecasting of housing prices. Another paper on asset prices considers cointegration between house prices and inflation, and finds eg that house prices adjust to consumer prices in the long run and that no excess real appreciation, apart from rental income, is derived from house ownership.</p> <p>The two last papers deal with bankruptcy forecasting and testing for nonlinearities and chaos. It is asserted that bankruptcies can be interpreted as error-correction between supply and demand. Many tests have been developed to study the presence of nonlinearities in economic series. The results of testing unambiguously support that there are strong nonlinearities in economic data, but the evidence for chaos is weak.</p>			
Avainsanat-Nyckelord-Keywords cointegration - modelling asset prices nonlinearity bankruptcy - forecasting			
Säilytyspaikka-Förvaringsställe-Where deposited			
Muita tietoja-Övriga uppgifter-Additional information			